

Message Text

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ACTION EB-11

INFO OCT-01 AF-10 ISO-00 AID-20 CIAE-00 COME-00 FRB-02

INR-10 NSAE-00 RSC-01 TRSE-00 XMB-07 OPIC-12 SPC-03

CIEP-02 LAB-06 SIL-01 OMB-01 CEA-02 STR-08 DODE-00

PM-07 H-03 L-03 NSC-10 PA-04 PRS-01 SS-20 USIA-15

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R 120930Z FEB 74

FM AMCONSUL LUBUMBASHI

TO SECSTATE WASHDC 1459

INFO AMEMBASSY KINMASA

AMCONSUL BUKAVU

AMCONSUL KISANGANI

S E C R E T LUBUMBASHI 75

DEPARTMENT PASS AMBASSADOR VANCE

E.O. 11652: GDS

TAGS: ECON EFIN EIND PDEV PINT CG

SUBJ: NEW ECONOMIC MEASURES

REF: LUBUMBASHI 73

1. AFTER PERIOD OF RELATIVE SOMNOLEENCE IN COMMISSIONER DUGAS ABSENCE, MARKED BY GROWING NUMBER BUT GENERALLY PEACEFUL TURN OVER OF FOREIGN OWNED FIRMS, THEGE DANGER SIGNALS WHICH DESERVE CLOSEST ATTENTION.

2. DUGAS DEMEANOR AT YESTERDAYS MEETING WITH COMSULAR CORPS (REXTEL) WAS GRACIOUS AND XENOPHOBIC. THERE IS CLEARLY NO GIVE IN HIM OR IN HOW HE INTERPRETS HIS ORDERS, WHATEVER THEY ARE.

3. POINT OF GREATEST CONCERN IS HOSTAGE ASPECT RE BURDEN OF
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PROOF THAT ALL DEBTS HAVE BEEN PAID TO PERMIT LEAVING ZAIRE IS

LAI ON FOREIGNERS, AND JUDGES ARE A VARIOUS COMMISSIONER AND
CND. MOST QTE EUROPEANS UNQTE AFFECTED ARE PRIMARILY CONCERNED
WITH GETTING WIVES AND CHILDREN OUT BUT ARE ALSO INCREASINGLY WORRIED
OVER THEIR OWN SECURITY. DUGAS PRESENTATION WAS LACEB WITH
REFERENCES TO COLLABORATION BUT OVERALL TENOR WAS THREATENING
ESPECIALLY VISABLE VIS- GREEKS. APPARENTLY ANYBODY TAGGED
AS AN ECONOMIC SABOTEUR IS IN FOR A VERY HARD TIME OF IT.

4. BUGAS EMPHASIS ON MONEY HOARDERS, MIS UNSUBTLE REFERENCE
TO SPECIAL INSTRUCTIONS FOR HIS SPECIAL SERVICES AND HIS FAILURE TO
CONDEMN OR EVEN ATTEMPT FORMULATE LEGAL BASIS FOR RANDOM
PERSONAL, RESIDENTIAL AND OTHER SEARCHES IS UNANIMOUSLY INTER-
PRETED BY CONSULAR CORPS HERE TO MEAN OPEN HUNTING LICENSE.
ASSUMPTION THAT LARGE SUMS OF CASH ZAIRES ARE FLOATING AROUND IS
PROBABLY WELL-FOUNDED, DOLLAR NOW COSS BETWEEN 1.30 AND 1.50
ZAIRES. FOREIGN BUSINESSMEN HAVE SOUGHT KEEP ASSETS AND DEBITS
IN BALANCE, EXPORTING PROFITS AS FAST AS POSSIBLE. NEW ZAIROIS
OWNERS SHOCKED, FOUND EMPTY SHELVES AND LIGHT VASH REGISTERS,
HAT NEW ASSETS SOMETIMES DO NOT COVER THEIR NEW LIABILITIES.
IT FOLLOWS THAT EX-OWNERS HAVE CASHED THE LOOT. HOW DUGA SETS
ABOUT DIGGING IT OUT IS MAJOR POINT OF CONCERN FOR INNOCENT ASO
WELL AS GUILTY.

5. EVEN PRIOR DUGAS RETURN, SOME VIOLENCE OCCURED. NUMBER OF
GREEKS BEATEN UP, AT LEAST ONE HOSPITALISED, ALLEGEDLY FOR PHYSICALLY
RESISTING TAKE OVERS. ONE SMALL MERCHANT RESISTED AT KNIFE POINT,
GOT A BEATING AND JAIL FOR HIS TROUBLE. SOME ZAIROIS NOW ARRIVE
TO TAKE OVER THEIR NEW FIRMS ACCOMPANIED BY GENDARMERIE OR SOLDIERS
FOR QTE SELF-DEFENSE UNQTE. PRESS, RADIO AND TV HAVE IN PAST MONTH

TAKEN ON MENACING TONE. INCITING ZAIROIS AGAINST AND INSULTING
FOREIGNERS, SOMETIMES SPECIFICALLY WHITES. WITH SECURITY FORCES
WILLINGNESS TO MAINTAIN THE PEACE IN DOUBT, TENSION AMONG FOREIGNERS
IS AT HIGH PITCH AND GOING UP.

6. LAST MAJOR CONCERN, AS CONSULATE HAS PREVIOUSLY REPORTED
IS FOODSTOCKS. FAILURE TO IMPORT DURING PAST 2 MONTHS HAS STRIPPED
SHELVES. MIGHT COST ITEMS FOR EUROPEAN TRADE STILL AVAILABLE,
BUT THERE IS NO WHEAT, VERY LITTLE MANIOC AND CORN FLOUR,
ALL FUNDAMENTAL TO ZAIRIAN TABLE, BLACK MARKET CORN FLOUR GOING
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FOR AS MUCH AS 10 ZAIRES A SACK. MEDIA TELLING PUBLIC HARD
TIMES AHEAD AND FAULT IS FORMER OWNERS WHO HAVE BEEN COMMITTING
ECONOMIC SABOTAGE, LESS THAN REASSURING FOR FOREIGNERS LOCKED
DEFACTO INTO JOBS AND COUNTRY.

7. COMMENT: SO FAR FEW AMERICAN WITH INTERESTS OR RESIDENT IN SHABA
ARE SERIOUSLY AFFECTED. CONSULATE, AS PREVIOUSLY ESTIMATED,

THAT MAIN PROBLEM IS FOR ZAIRIANS IN SHORT TERM. TO THAT WE NOW ADD
THAT FOREIGNERS IN GENERAL SEEM IN FOR SERIOUS HARRASSMENT WITH
UNPREDICTABLE CONSEQUENCES UNLESS SOMEONE IN HIGH AUTHORITY TELLS
DUGS, THE ARMY AND THE CND TO COOL IT.
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